OMNI-CHANNEL RETAILING & BRAND STRATEGIC MANAGEMENT TO IMPULSE CONSUMER BUYING (FROM CONCEPT TO OPERATION)

ABSTRACT
This article topic is Omni-Channel Retailing & Brand Strategic Management to impulse consumer buying from concept to operation. The purpose of this paper is to explore the concept of Omni-channel retailing with brand strategic management through operation in retail firms operation to motivate. This is the integration of Omni-channel retailing and Brand Strategic management to impulse shopper buying. It has developed as an extension of multi-channel retailing. Omni-channel retailing is the customer’s awareness of distinctive channels dissolves between digital and traditional retailing experience. Omni-channel Retailing consist of Offline retailing channel e.g., traditional retailer, modern retailer etc. and Online retailing channel e.g., E-Commerce. The difference between the concepts is the level of integration, where an Omni-channel requires seamless and complete channel integration compared to a multi-channel where the level of integration varies from non-existing to high level.

The brand management model describe 6 steps models for building and evaluating strong brands as follows; 1.) Brand Audit, 2.) Brand Identity, 3.) Brand Strategy, 4.) Brand Implementation, 5.) Brand Equity, 6.) Brand Valuation. Furthermore, brand strategy consists of Organic Growth Strategy, Alliance Strategy and Acquisition Strategy (Roll, 2015). Therefore it will be the new things of Omni-channel Retailing & Brand Strategic Management can impulse consumer buying practically. This is academic paper type to identify qualitative result from several research papers, articles and textbooks of Brand, Omni-channel Retailing, Digital Marketing and E-Commerce.

This article is based on an interpretive approach and takes the form of an exploratory multiple case study through the investigation of retailers.

Key words: Concept, Operation, Omni-Channel, Retailing, E-Commerce, Digital Marketing, Brand Strategic Management. Impulse, Consumer buying, Strategy, Implementation.
INTRODUCTION

Digital influence is a universal trend regardless of geography, influencing in-store customer behavior across the board, but at different levels of impact and through various mechanisms depending on the country. A gap exists between consumer’s digital behaviors and expectations and their local retailers’ ability to deliver the desired expectations & experiences – a gap referred to as “the new digital separate.” This poses a critical challenge to retailers to stay relevant in today’s marketplace. Retailers must understand the evolving digital needs of their customers and improve their ability to anticipate and shape the needs of tomorrow. With more shoppers in the world – embracing cultural trends and gaining access to technology that will allow them to be always “stay connected”, retailers worldwide need to advance their own offerings to fit the behaviors of this new consumer. (Deloitte, 2015).

Omni-channel retailing has developed as an extension of multi-channel retailing. The difference between the concepts is the level of integration, where an Omni-channel requires seamless and complete channel integration compared to a multi-channel where the level of integration varies from non-existing to high. Today’s customers expect an integrated shopping experience where they can combine the different channels according to their preferences and Omni-channel is a way for retailers to meet this need. (Kersmark and Staflund, 2015).

The purpose of this paper is to explore the concept of Omni-channel retailing as well as its implementation in retail firms. Besides, we’ll study Brand Strategy to drive Omni-Channel Retailing.


Brand Strategy is part of Brand Management process as follows; a.) Brand Audit, b.) Brand Identity, c.) Brand Strategy, d.) Brand Implementation, e) Brand Equity and f) Brand Valuation. (Roll, 2015)

This topic differ from other research paper for readers’ benefit are 1.) Add Brand Strategic Management factor to drive Omni-channel retailing effect 2.) Focusing on retailing business. The author still doubt Omni-channel strategy which is the modern hybrid between Traditional Retailing Channel plus Online Retailing Channel are sufficient to drive business growth without Brand Strategic Management or not, especially red ocean (high competition market). Therefore we expect the significance of this paper (expected outcome and contribution) the Omni-channel Retailing & Brand Strategic Management that works.

LITERATURE REVIEW

As Digital Revolution 4.0 involve in digital business. The retail business use Omni-channel retailing to adapt from multi-channel integration between off and online retailing. We would like to integrate Brand Strategic Management concept to impulse consumer buying. The doubt from author whether Omni – Channel Retailing execute by themselves without Brand Strategic Management will succeed in business or not. It’s the gap no one study this issue intensively. This paper will integrate both Omni-Channel and Brand Strategic Management integration to drive much more impulse to consumer buying.

The key findings summary from Deloitte Research finding on Omni-Channel retailing as follows ;

1.) There is no single path toward digital
adoption or optimization.

2.) One digital “size” does not fit all customers within a given market.

3.) Consumers are demanding digital tools and features to execute their own shopping journeys.

(Deloitte, 2015)

We can see that this paper study relationship of Omni-channel retailing and Brand Strategic Management which we can apply and improve to retailing business. The challenging things are investigating this new topic to fill the current gap. Omni-channel retailing is the concept of complete integration of all channels and it has developed as an extension of multi-channel retailing (Klosek, 2012; Frazer & Stiehler, 2014; Rigby, 2011). The goal of implementing Omni-channel retailing is to combine the benefits of both the digital and the non-digital retailing in order to give the customer a seamless retail experience (Rigby, 2011). This is something that many customers place great value on and hence, a successfully implemented Omni-channel strategy with total integration, has the potential to greatly enhance the customer shopping experience (Herhausen., 2015).

In retail sales channel, the channel strategy, retailers can choose from several different sales channels to find the optimal option for their organization. These channels include physical channel, online channel, mobile channel, catalog channel and finally a combination of these in the form of a multi-channel as follows; the first is Physical channel. This is physical store allows retailers to achieve closeness to the customer and provide an instant gratification effect since the customer does not have to wait to receive the products (Agatz, 2008; Grewal, 2004). The 2nd is Online channel.

Through the online channel, the retailers can offer the customer 24/7 accessibility and a
wider product selection compared to the physical channel (Rigby, 2011; Aşatç, 2008). The third is E-Commerce channel. It is the use of the internet, the web and apps to transact business. More, formally, digitally enabled commercial transactions between and among organizations and individuals. (C.Laudon, Traver., 2015). E-Commerce has key considerations for multinationals. Executives developing online channels should maintain a regional mindset in select areas, even as they consider each market’s unique situation and needs as follows; Mobile Optimization, Payment Options, Channel Conflict, Social Medias. (Frontier Strategy Group 2016). The fourth is Mobile channel, some retailers have realized that the online channel itself is not enough to satisfy their customers who demand further convenience and higher accessibility. This has led to the consideration of smartphones as a separate sales channel. The use of smartphones as a distinguished retail channel is evolving quickly as the retailers are developing more and more mobile versions of the websites along with more advanced apps to satisfy the needs of their customers (Brynjolfsson, 2013). The fifth one is Multi-channel. The level of integration in a multi-channel strategy can as previously mentioned, vary from non-existing to high depending on the business model. The retail business can build channel integration when integration is high and synergies between the online (E-Commerce) & offline (traditional) channels. An offline channel can be complementary to an online channel, and vice versa in several ways (Herhausen, 2015). The sixth is area of Omni-channel retailing. Omni-channel retailing is a customer – centric, channel – agnostic approach to retailing through which retailers provide seamless shopping experiences across all of their physical and digital channels (Euro Monitor, 2016).

There are several motivating factors as to why a retailer would decide to implement an motivator of Omni-channel strategy. The first one is Consumer Demand. (Wind and Mahajan (2002, p.70)) emphasized the importance of offering all possible combinations of the different channels since many customers want to have the option of using all the channels. The second one is Increased Sales. Retailers choose to offer more than one channel is essentially the hope to reach higher profits through increased sales and more efficient operations (Zhang, (2010)). If there are more customer touch points and thus more opportunities to adhere to different customer demands and a retailer “expands both the quantity and possible combinations of service outputs available to its customers” by offering various shopping channels (Wallace., 2004, p. 251). The third one is Optimizing the physical channel.

Omni-channel retailing presents a great opportunity for physical stores to strengthen their role in the supply chain. In-store pickup and ‘ship from store’ allows the retailer to make better use of its existing inventory, and thereby decrease the excess stock that otherwise risks to be sold at a reduced price (Giannopoulos, 2014). Offering the customer the option of in-store pickup also allows the retailer to save some costs since the ‘last mile’ in product delivery is a relatively expensive part of the distribution for the retailer (Aşatç, 2008). The fourth one is Challenging of Omni-channel retailing. There is little doubt of the fact that Omni-channel retailing comes with many opportunities for retailers, there are also several
challenges that they are faced with as they move towards a higher level of integration among their channels. (Kersmark, Malin, Staflund, 2015). The fifth is Technological investment. Establishing an Omni-channel strategy increases the complexity of managing the operations and the supply chain of the retailer. (Kersmark, Malin, Staflund, 2015). The sixth is Change management. The implementing an omni-channel retailing approach can be difficult if the organization does not manage to convey the benefits of the change for the organization as a whole, and convince the different departments to move the focus from their individual performance towards the performance of the whole corporation (O’Heir, 2012). This is something that requires change management. (Kersmark, Malin, Staflund, 2015). The seventh is Channel conflict. Issues are often mentioned in relation to multi-channel retailing are channel conflict and cannibalization which can be of great concern to retailers who are planning to increase the integration of their channels (Webb, 2002; Agatz, 2008). Some retailers have been reluctant to add new channels as they are worried that doing so would move their customers from their current channel into the new one and thereby cannibalize the sales instead of increasing total sales (Agatz, 2008). The eighth is Return management. The integration of online and offline retailing has taken this challenge to a new level because the online return rates are much higher than the offline since the customers do not have the possibility of touching the product before making a purchase (Agatz, 2008; Bell, 2014). The ninth is Consistency. One issue that has been experienced related to channel integration is that the level of consistency is not high enough. This is many times not an easy task to deal with due to the discussed differences between the channels. (Kersmark, Malin, Staflund, 2015).

Omni-channel Retailing Model

Below is an overview of the motivators and challenges found in the literature that the retailers could face when implementing an Omni-channel strategy of total channel integration. The concept of omni-channel retailing is at the center of the

Figure 2: Conceptual model of Omni-Channel Retailing (Source: Kersmark, Malin and Staflund, Linda (2015).)
model. The motivators symbolize the incentives for an individual retailer to offer its customers an Omni-channel shopping experience. The stated challenges aim to illustrate which obstacles a retailer should expect to encounter when implementing an Omni-channel strategy. This model will form the basis of the analysis and will be revised according to the empirical findings in the end.

Brand Strategic Management

Branding is the driver of a successful Business Strategy. Brand Strategic Management is essential if a firm wants to achieve sustained success, especially when competition is increasingly intense and product differentiation (Roll, 2015). This situation is observed in many parts of the world and in many product categories, and has led too often to the commoditization of markets, in which pricing is the only rule of the game. Branding is one way out of commoditization and its consequent profit erosion. It is a process requiring long-term commitment, and profits need to be sacrificed in the short term in order to build a strong brand. At one end of the brand building spectrum is the physical product and service with its tangible descriptors, and at the other end the intangible descriptors, with associations and perceptions linked to the values and personalities of the brand in the minds of consumers. Demonstrates the usefulness of the traditional marketing model in developing e-commerce marketing strategies. Discusses four e-commerce frameworks and integrates them with the traditional marketing model (product, price, promotion, and distribution) to develop a complete framework. Discusses how the e-commerce strategies could be applied to a real company using the integrated model (Allen, Eric and Fjermestad, Jerry (2001)).

CONCEPT

In this part, this paper explain key elements of Omni-channel Retailing & Brand Strategic Management to impulse consumer buying. As Brand Strategic Management consists of Brand Audit, Identity, Strategy, Implementation, Equity and Valuation as follows;

Brand Strategic Management & Omni-channel Retailing Concept

The Brand Strategic Management model describes a six-step model for building managing and evaluating strong brand for Omni-channel retailing. It support firm’s owner and management team to focus process and effort in the right direction in building strong brand to Omni-channel retailing to impulse consumer buying.

New Knowledge: is the contemporary article which integrate Brand Strategic Management Concept and Omni-channel retailing to enhance each other.

Therefore, firm will have six-steps of concepts to explain.

- **Benefit**: Brand Strategic Management will drive to increase customer traffic, prospects, sales and brand image. Concurrently Omni-channel will enhance brand image for instance, Apple and Amazon, both of them have on/offline stores for sales and drive brand image.

- **Differentiation**: both Brand Strategic Management and Omni-channel retail will be mutual benefit each other.

The six step concepts are as follows;

1. **Brand Audit & Omni-channel retailing**

   Brand Audit is to provide the management with an overall analysis of the brand from internal and external sources. By carrying out the brand
audit, companies can obtain several benefits for Omni channels. Brand Audit elements for Omni-channel retailing consist of company, customers, competitors and stakeholders. 

• Benefit: It can audit SWOT Analysis on Brand & Omni - channel retailing portfolio, evaluate gap in brand perception between shareholders and stakeholders. Therefore, it will drive strategy to impulse customer from the core (organization structure) of firms

• Differentiation: Formulate strategies that support them to out-of-the-box competition.

2. Brand Identity & Omni-channel retailing

The brand identity is the strategic charter that guides the channel and customers. It serves 2 main objective 1. The identity guides all the strategic decisions regarding the brand, 2. It provides customers with a clear sense of what the brand stands for. They will serve Identity of Omni Channel clearer and identify Retail Brand Vision, Scope, Essence, Positioning and Personality.

• Benefit: Corporate management can construct a brand identity for their brand which will direct company actions toward the objective of evoking unique impressions in customers’ minds and building competitive advantage.

• Differentiation: Brand identity can differentiate the unique character of your Omni-channel brand from competitor and easier to perceive brands.

3. Brand Strategy & Omni channel retailing

Brand Strategy is the key essence to plan for future to catch up market opportunities and challenge to Omni – channel retailing. It consists of

• Organic Growth Strategy. It means growing by their own channel organically.

• Alliance Growth Strategy. Growing with your alliances or business partner or joint – venture company. For instance, we sell Omni channel to distributor, dealers etc..

• Acquisition: growing by acquire other Omni-channel brand strategically to make your channel growth.

Depending on the life-cycle stage of the companies and their brands, companies can select one or more strategies in combination to suit their needs and requirements as time progresses

• Benefit: to enlighten 3 brand strategy to make brand growth for Omni channel.

• Differentiation: this Brand Strategy differentiate Omni-channel brand growth approaches. However, some firms utilize the mixed approaches.

4. Brand Implementation & Omni-channel retailing

The Brand Implementation will influence to Omni-channel retailing sales process as shown in below Touch Point Model (Venture Republic, 2015). It consists of Pre Sales, Sales, Post Sales and Retention phases.

This touch point model involve in both Internal and External for Omni-channel retailing as follows;

• Internal: Training, workshop, HR and Communication.

• External: Marketing Mix, Marketing Communication, Association and alliances, Logo and Design

• Benefit: Do or die is the very challenging if marketer spend time on Strategy without implementation. Increasing sales result, brand image and store traffics etc. are the key benefits
5. Brand Equity & Omni-channel retailing

Brand Equity is a set of assets (and liabilities) linked to a brand’s name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and/or that firm’s customers. (Aaker, 1996). It’s the measurement for Omni-channel retailing brand consisting of

- Knowledge metrics (Brand Awareness and Associations)
- Preference metrics (purchasing, usage, loyalty)
- Financial metrics. (market share, premium price, revenue, CLV (customer lifetime’s value) growth rate).

Based on the detailed analysis of brand equity, it should be quite clear that brand equity is not just about top line growth but also the bottom line. Although brand equity gives companies tools to measure the overall equity, the actual value of a Omni Channel brand

- **Benefit**: measuring Omni-Channel Brand Performance.
- **Differentiation**: lesson learn after measuring can conduct new different winning strategies to win in Omni-channel retailing by brand equity tools.

6. Brand Valuation & Omni channel retailing

Brand valuation is the new tools to measure Omni-channel retailing brand performance with 3 steps

- Financial analysis identifies and predicts revenues and earnings from intangibles related to
channel portfolio.
• Brand Contribution to assesses how much the brand contributes to drive demand
• Brand Value: calculate the NPV (net present value)
• Benefit: It will measure beyond brand equity to measure on finance, sales and NPV.
• Differentiation: Omni-channel brand equity is not enough. So we have to add “valuation” factor to measure channel portfolio.

OPERATION
Brand Strategic Management & Omni-channel Retailing Operation to Impulse Consumer Buying
This part we will explain six steps of implementation of Brand Strategic Management and Omni-Channel Management to align to conceptual part in the previous section

1.) Brand Audit & Omni-channel retailing
Company should implement in Brand Audit for Omni-channel from the 1st step on the high level of organization, customers, competitors and stake holders
• Omni-channel Retailing and Brand Motivators: by optimizing channel and process properly.
• Omni-channel Retailing and Brand Challenges: Change management in organization, investing in technology and managing channel conflict
• Impulse to consumer buying: Analyzing traffic, prospect and sales result.

2.) Brand Identity & Omni-channel retailing
Implementing strong Omni-channel retailing brand identity by long term brand planning to cover visions personality with consistent brand exposure
• Omni-channel Retailing and Brand Motivators: create brand identity by realizing target group demand and competitive advantage.
• Omni-channel Retailing and Brand Challenges: managing channel conflict and sales acceleration.
• Impulse to consumer buying: Channel brand meaning will ease on effective consumer communication which influence positive consumer buying response.

3.) Brand Strategy & Omni channel retailing
Implementing Omni-channel retailing brand on growth by organic, with business alliance and / or M & A (merger & acquisition) after planning portfolio strategies.
• Omni-channel Retailing and Brand Motivators: driving growth base on customer centric and optimize on each channels with business alliances or M&A.
• Omni-channel Retailing and Brand Challenges: managing channel conflict to drive sales and also operate Omni-channel sales consistently.
• Impulse on consumer buying: holistic brand strategies will be classified to stimulate higher brand awareness and sales growth.

4.) Brand Implementation & Omni-channel retailing
Operating Omni-channel brand implementation plan on internal organization and also channel marketing mix operation, visual merchandising, brand design etc.
• Omni-channel Retailing and Brand Motivators: Omni-channel brand implementation is one of the key success to serve customer need and operational excellence beyond competitors.
• Omni-channel Retailing and Brand Challenges: Operate channel marketing mix to increase sales acceleration and minimize channel conflict.
• Impulse to consumer buying: Pre-sales/Sales/Post-sales/Retention impulse loyalty.

5.) Brand Equity & Omni-channel retailing
Implementing to measure Omni-channel brand equity on knowledge, preference and finance by regular report and pre & post sales research.
• Omni-channel Retailing and Brand Motivators: to measure what customer perceive on brand, channel, demand, awareness and also explore competitor information to benchmark
• Omni-channel Retailing and Brand Challenges: measuring return on investing technology, organization after change, channel conflict or not, rate of return goods and consistency of Omni – channel brand business model.
• Impulse to consumer buying: Brand Touch Point Model operate from pre-sales/sales/post-sales/retention to stimulate sales and loyalty via Omni-channel.

6.) Brand Valuation & Omni channel retailing.
Assessing brand valuation by analyzing finance and return on sales, contribution and NPV (net present value) to management team.
• Omni-channel Retailing and Brand Motivators: analyze Omni-channel brand valuation base on motivator factor base on customer demand, competitive advantage and
• Omni-channel Retailing and Brand Challenges: analyze valuation on ROI (return on technology investment) , loss from channel conflict and improving on channel brand valuation.
• Impulse on consumer buying: the higher channel brand valuation the more buying Furthermore, this paper add stage of Omni-Channel retailing and E-Commerce operation process.

Stage of Omni Channel Retailing consists of
• Technological developments
• Changed customer shopping patterns
• Customer centricity
(Kersmark, Malin and Staflund, Linda (2015) Omni - Channel Retailing Jonkoping International Business School)

Five steps to e-commerce implementation success:
1.) Redefine competitive advantage
2.) Rethink to operate Business Strategy
3.) Re-examine traditional business and revenue model
4.) Reengineer the corporation and Website.
5.) Re-Invent customer services.
(Source: Chung-Shing Lee, (2001))

CONCLUSION
The purpose of this paper was to explore the concept of Omni-Channel retailing and BrandStrategic Management from concept to operation in retail firms operation to impulse consumer buying with 6 step on Brand & Omni-Channel Retailing to accelerate sales, profit, traffic, brand image etc. Here are the essence of this paper which present in Figure4 and Table 1 as follows;

The most important conclusion is that the deployment of lean and agile processes are very relevant for the dynamics and complexity Omni-channel & brand operations, but that not much has been published about the implementation of lean and agile in marketing practice. The next step is to design and validate a measurement tool based on the conceptual model: the Agile Marketing Maturity Model. Besides this, it would be useful if more academic research would be performed on deployment of agile processes in the marketing,
sales and service practice.(Hoogveld, Mike and Koster, John M.D. (2016) )

Finally, the Integration of Omni-Channel Retailing and Brand Strategic Management will be huge benefit to business to impulse consumer buying to increase sales. It will be the modern efficiency tools according new Digital Industrial Revolution 4.0 which will apply to any industries. The next challenging should be investigated by Quantitative & Qualitative Causal Research Methodology to find relationship of Omni-Channel Retailing and Brand Strategic Management to impulse Consumer buying in each regions. We should start with USA as representative of Western side and following by Japan as representative of Eastern culture,
REFERENCES


Davis, Bill., *MB&G Consulting*

Euro Monitor (2016)., *How to survive in an Omni-channel World : Best practice for Omni-channel retailing.*


Frontier Strategy Group *E-commerce in Emerging ASEAN*, FSG – Washington DC, USA.


Kao, Diana and Decou, Judith (2013) A strategy – based model for e-commerce planning Research Article *Odette School of Business*, University of Windsor, Ontario, Canada.


Rowley, Jennifer (2009) On-line branding strategies of UK fashion retailers Department of Information Communication, Manchester Metropolitan University, Manchester, UK.


